

## August 28, 2006 - Slaughter Announces \$225,000 in Affordable Housing Grants for Greater Rochester

FOR IMMEDIATE RELEASE

Monday, August 28, 2006

Slaughter Announces \$225,000 in Affordable Housing Grants for Greater Rochester Housing Partnership

Washington, DC - Rep. Louise M. Slaughter (D-Fairport), Ranking Member of the House Rules Committee, was today joined by Jean Lowe, President of the Greater Rochester Housing Partnership, Amy Herlehy, the New York State Director of Development for Citizens Bank, Joan Dallis, Regional Vice President of HSBC, and numerous other banking and housing officials to announce \$225,000 in housing grants for the Greater Rochester Housing Partnership's 2006-2007 HOME Rochester Program.

The funding will reduce the interest rates for income-eligible home buyers. Under the program, vacant properties, donated by the City of Rochester, will be rehabilitated and given to 45 local low-income families.

"Our country's greatest achievements have been the result of cooperative partnerships between the public and private sectors," Rep. Slaughter said. "That is why Federal Home Loan grant programs have always been so effective."

"This generous financial support from Citizens Bank, HSBC, M&T, and the Federal Home Loan Bank of New York will

help turn dilapidated houses into homes for needy Rochester families, and help those families turn the corner in their fight to secure a better future," she added.

"Funding provided to Citizens Bank, HSBC, M&T Bank through the Federal Home Loan Bank of New York's Affordable Housing Program was absolutely critical in order to make HOME Rochester 2006-2007 a 'go' for very low-income home buyers," said Jean Lowe, President of the Greater Rochester Housing Partnership. "We greatly thank these community banks for their support."

Also in attendance at the event were Beverly Fair-Brooks, Vice President and Regional Community Reinvestment Act Officer for M&T Bank; James Condello, Vice President and Regional Mortgage Sales Manager for M&T; and Joseph Gallo, Vice President of Community Investment for the Federal Home Loan Bank of NY (FHLB-NY).

The HOME Project is expected to help revitalize run-down neighborhoods in Rochester filled with vacant property. All homebuyers will receive closing cost assistance of up to \$6,000 from the City of Rochester and provide \$1,500 of their own funds toward their home.

To help ensure their success as homeowners, the buyers will be required to attend an eight-hour pre-purchase training program and nine hours of post-purchase training. They will be given information on budgeting (before and after home purchase), the home buying process, and home maintenance.

## BACKGROUND

This Affordable Housing Program (AHP) was created by Congress in 1989. As part of it, the Federal Home Loan Bank of New York's provides member lenders with grants that are passed on to income qualified households through sponsoring local organizations.

AHP financing is combined with other funding sources to create housing for moderate, low, and very low income families. Program awardees receive their funding through a competitive application process. Each competing project must be sponsored by a financial organization that is a member of the Bank in partnership with a community-based sponsoring organization.

The AHP subsidy will be used to write down the interest rates on mortgages for the homebuyers. Additional funding sources are the Rochester Housing Development Fund Corporation, the New York State Affordable Housing Corporation and New York State's Division of Housing and Community Renewal.

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